

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NORTH DAKOTA

Case No. 24-30168  
Chapter 11, Subchapter V

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In Re:  
Stark Energy, Inc.,  
Debtor.

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T R A N S C R I P T I O N  
OF  
A U D I O T A P E

Continued 341 Meeting  
June 19, 2024

Transcribed by: Carolyn Taylor Pekas, RPR

1 (Beginning of recording.)

2 UNIDENTIFIED SPEAKER: My bad. I just  
3 joined.

4 MS. WENCIL: Okay. We are back on the  
5 record for the Section 341 meeting for the District  
6 of North Dakota, Chapter 11, Subchapter V case of  
7 Stark Energy, Incorporated, 24-30168.

8 This meeting is being held on June 19, 2024,  
9 at 1:30 p.m. by telephone. This is a continued  
10 meeting from the original meeting that started on  
11 May 30, 2024.

12 And, Mr. Fettig, could you raise your right  
13 hand and indicate when you have done so?

14 ROBERT FETTIG: Yep. Go ahead.

15 MS. WENCIL: Okay. Do you swear to tell the  
16 truth, the whole truth, and nothing but the truth  
17 here today?

18 ROBERT FETTIG: Yes, ma'am.

19 \* \* \* \* \*

20 ROBERT G. FETTIG, having been first duly  
21 sworn to tell the truth, the whole truth, and nothing  
22 but the truth, was examined and testified under oath  
23 as follows:

24 \* \* \* \* \*

25 / / /

1 CONTINUED EXAMINATION

2 BY MS. WENCIL:

3 Q. Okay. And I'm just going to start following  
4 up with a few --

5 A. (Indiscernible.)

6 Q. -- just some -- tying up loose ends, and I  
7 think right before we went on the record you stated  
8 you're in the process of still getting the copy of  
9 the police report that you filed for the missing  
10 trailer. Trailer or truck. And then, also --

11 A. It's not -- it's not a trailer. It's a  
12 truck.

13 Q. Truck.

14 A. Truck.

15 Q. Thank you.

16 And then, also, we have a request to get  
17 copies of the checks that go with the bank statements  
18 that you provided. If you recall providing us with  
19 the three months of bank statements, we still need  
20 copies of the checks that were written.

21 A. Those were emailed -- those were emailed  
22 today to Erik.

23 Q. Okay.

24 A. I -- yep.

25 Q. Okay. And to the extent that any of the

1       financials that were filed with the Bankruptcy Court,  
2       the balance sheet and the profit and loss statement,  
3       are inaccurate, we do need some corrected financials.  
4       And that kind of goes to the question, I think, that  
5       we touched on at the hearing. You were looking at  
6       hiring a CPA to assist you with your books and  
7       records. And what's the status of getting the CPA  
8       hired?

9           A.     Yeah. I -- I've located a CPA. I'm just  
10       going to hire them. It's...

11       Q.     Okay. Have you provided their name to your  
12       attorneys so they can do an employment application?

13       A.     I've given -- I've given it to them  
14       previously, yep. I can give it to them again. I can  
15       do that here tonight.

16       Q.     Okay. Yeah, just keep that --

17           MR. AHLGREN: I've got that. If we're ready  
18       to do that, we can, if we got the approval to be  
19       factoring the accounts receivable, so we should be  
20       able to move forward.

21       Q.     (BY MS. WENCIL) Okay. And, also, I was  
22       going to say, at the prior meeting you indicated you  
23       may be behind on state, local, and federal taxes  
24       since April 23rd. Do you believe that you're current  
25       on those taxes now?

1           A.     To the best of my knowledge, I'm current on  
2     the taxes that matter and that I'm working with  
3     keeping in touch with my lawyer if anything comes in  
4     the mail, but I am going to be working on getting  
5     anything and everything, like my back filings, caught  
6     up, but I won't owe any money because I had  
7     substantial losses in certain categories in --  
8     whatever they call that. I mean, the CPA does  
9     their -- their business. You know, they know their  
10    rules and regulations, you know.

11          Q.     Okay. And then last time we were going to  
12    ask you questions on what was filed as a balance  
13    sheet at Document 15. Did you bring that today? You  
14    were going to bring that one today.

15          A.     What are you referring to again, ma'am?  
16    Sorry.

17          Q.     It was a balance sheet that the Debtor,  
18    Stark Energy, filed with the Bankruptcy Court at  
19    Document Number 15 on the -- and it states it's a  
20    balance sheet dated as of December 31, 2023. Did you  
21    bring that today?

22          A.     I'm sorry. I had mute on. Sorry, ma'am.

23          Q.     Okay.

24          A.     I have some stuff with me. I don't think I  
25    have that with me, but I know that my mother has been

1 working on cleaning up the -- the balance sheet and  
2 putting things in the correct -- what do they call --  
3 filings in the QuickBooks.

4 And then that CPA firm wants to get hired  
5 because they just want to get it done. They said  
6 that they're qualified, ready to go, and they can get  
7 all my books caught up and -- and it will be done  
8 quicker than me trying to do it, if that makes any  
9 sense.

10 I'm not doing anything wrong or maliciously.  
11 It's just I had employed people that had graduated  
12 from Dickinson State University, and they may or may  
13 not have graduated with an accounting degree. Right?  
14 And they said that they wanted 20 or 30 hours a week,  
15 and they worked, and they were paid.

16 And they worked underneath the guise of me,  
17 like: Hey, what are we working on today? or kept  
18 constant communication with the CPA lady. But they  
19 were putting stuff in the wrong quadrants. They were  
20 putting receipts in where they shouldn't be. It was  
21 just a mess. And -- and I'd like to get that cleaned  
22 up, and that's why I want to use that CPA firm, to  
23 get that cleaned up.

24 I mean, I'm trying to clean it up myself in  
25 between driving the truck, interviewing drivers,

1 working with people, fixing equipment, you know, but  
2 there's only so many hours in a day. Sometimes I  
3 work 20 hours a day, so...

4 Q. Okay. And are you stating that balance  
5 sheet that was filed with the Court is inaccurate?

6 A. I'm not saying that it's overly inaccurate.  
7 I think it's pretty accurate, but I think there's  
8 some inaccuracies --

9 MR. AHLGREN: Well --

10 A. -- due to the fact of --

11 ROBERT FETTIG: I'm sorry. Go ahead.

12 A. I'm just -- I'm not -- I'm not stating that  
13 it's inaccurate, no. I'm not saying that. I'm just  
14 stating that some of my QuickBooks in my -- in my  
15 stuff, even you said, it's kind of like -- respect --  
16 you're -- you're the -- excuse me. You're the  
17 Trustee. Correct, ma'am? Sorry. I'm just trying to  
18 get this correct.

19 Q. (BY MS. WENCIL) Mr. Kapusta is the Trustee  
20 assigned to the case. I'm with the Department of  
21 Justice --

22 (Simultaneous, indiscernible crosstalk.)

23 Q. (BY MS. WENCIL) -- we're called the U.S.  
24 Trustee, so it's very confusing.

25 But I do have a question. On those bank

1 accounts that were listed on that document, the  
2 balance sheet that was as of December 31st, it states  
3 that there was \$365,000 of cash in your bank  
4 accounts.

5 A. That's inaccurate. If I had \$365,000 worth  
6 of cash, respectfully, I would have been able to buy  
7 time and stave off bankruptcy.

8 Q. Okay. So you -- at the end of December, how  
9 much cash do you think that the Debtor had?

10 A. I don't know the specific answer on that.  
11 I'm not trying to be eluding. I'm not trying to be  
12 evasive. I'm not even trying to be rude. I just --  
13 I -- I can't speak to that at this exact moment.

14 I know I was -- I was working. Let me  
15 think. Janu- -- you said December? I -- I don't  
16 have an exact figure, but I can get that figure. I  
17 can focus on that being a goal, to figure out that  
18 exact number. I've been trying to figure out -- but,  
19 again, with respect to the Court or you or -- and  
20 this is the Court. Right? The CPA, they're going to  
21 be critical, because they -- they get this thing  
22 caught up in like, I don't know, lightning speed, you  
23 know? So...

24 Q. Okay. You provided --

25 MR. AHLGREN: Ms. Wencil?



1 MS. WENCIL: Yes.

2 MR. AHLGREN: Sarah? Can you hear me?

3 MS. WENCIL: Yes.

4 MR. AHLGREN: Okay. So we provided the bank  
5 statements. The bank statements would show how much  
6 cash was on hand as of December 31st. I do believe  
7 that those balance sheets are inaccurate as of  
8 December 31st. We did provide a balance sheet that  
9 we believe is accurate as of the date of filing, the  
10 balance sheets as of December 31st. To the extent  
11 that they can be recreated, that will be one of the  
12 goals of the CPA firm, but...

13 Q. (BY MS. WENCIL) Mr. Fettig, do you agree  
14 that all the cash the Debtor had would show up in  
15 those bank statements?

16 A. Yes, ma'am. I don't hide any money.

17 Q. Okay.

18 A. Yes, ma'am. Sorry. I'm not trying to admit  
19 to anything, but I wouldn't do that. That's stupid,  
20 so --

21 Q. Okay. As of December 31st, did the Debtor  
22 have any other bank statements other than those four  
23 accounts that were open?

24 A. No. No. I gave all my bank accounts,  
25 truthfully and honestly, to Mr. Erik's people, his

1 staff and him.

2 Q. Okay. Did the Debtor keep any cash in any  
3 other location other than the four bank accounts that  
4 have been provided?

5 A. No.

6 Q. Okay.

7 A. I might have had petty cash, like a hundred  
8 bucks or something, but I doubt that. You know, you  
9 get -- you take something back, you get a return,  
10 there's a hundred bucks. You use it for screws or  
11 something. But, no, I didn't have any cash. No.

12 Q. Okay. And then your accounts receivable at  
13 the last meeting, the end of May, you had about 13-  
14 to \$15,000. As of today, what are the accounts  
15 receivable?

16 A. I can have that fixed up here. Outstanding  
17 right now is right around \$11,267.25. I've received  
18 some payments since then.

19 Q. Okay. And then another issue at the prior  
20 meeting was that I believe Alliance had taken your  
21 oil rig. Have you -- has the Debtor received that  
22 asset back?

23 A. I'm in the process of renting an RGN. I was  
24 waiting to do, like, smart cash management and  
25 negotiations. I have three people in the state of

1 North Dakota that own an RGN, and all three of them  
2 said that they would rent me an RGN, so they just  
3 told me to let me [sic] know when I need it and then  
4 go pick it up, so...

5 Q. And then an RGN, what is an RGN for someone  
6 like me that --

7 A. It's a trailer. It's a -- it's a -- it's  
8 all right. It's an RGN. It's a loyboy. It's a  
9 removable gooseneck trailer used to haul the weight  
10 of that truck and trailer. It's going to haul --  
11 it's going to be a combined gross weight of 165- to  
12 170,000 pounds, so I've got to call North Dakota  
13 state troopers. I have to get a permit.  
14 Respectfully, I'm not trying to talk rude or  
15 disrespectful or (indiscernible) them, but I have to  
16 get a permit, and I have to rent a trailer, so I was  
17 just waiting to make sure I had more cash on hand  
18 before I spent the money to do that. I still have a  
19 little bit of time to do that per my agreement with  
20 the person that, you know, was funky, I guess.  
21 Right?

22 Q. Okay. And was that getting your drilling  
23 rig back as well?

24 A. Yeah. I'm -- I'm going to be getting my  
25 drilling rig back. I'm going to be getting the

1 drilling rig back by renting an RGN trailer --

2 Q. Okay.

3 A. -- and going to pick it up where it's  
4 located at, and then bringing it back to my shop,  
5 function testing it, doing sales calls, and putting  
6 it out to work.

7 Q. Okay. Another item that you discussed at  
8 the last meeting is that the Debtor was renting out  
9 some of their frac tanks. Is the Debtor still  
10 renting those out, the two?

11 A. They're -- they're still underneath a  
12 rental. I have to communicate with the -- excuse  
13 me -- with the person that's renting them and find  
14 out from the month of April 20- -- you know, since I  
15 filed going forward or -- you know, where we're at,  
16 standing, in financials and, you know, if I'm not  
17 going to be receiving money, why not, and/or, you  
18 know, take the trailers -- not the trailers, sorry --  
19 the -- the tanks back.

20 Q. Okay. What's the name of the person who's  
21 renting those tanks?

22 A. Oh, I -- I -- I had went -- fell on hard  
23 times, and I -- I authorized a company called Yuker  
24 Oilfield Services to rent them out through Pale  
25 Horse.

1 Q. How much did they pay in rental income?

2 A. They haven't paid yet. The reason why they  
3 hadn't paid previously is because I was in debt to  
4 the individual quite a bit, and I -- and I felt --  
5 you know, and the company wanted to be able to get a  
6 tow truck, you know, like -- they wanted the --  
7 the -- what is it called? If my truck gets in the  
8 ditch, I need a tow company to be willing to tow my  
9 vehicle, and I was going to -- at the time, when we  
10 started the process of me renting the -- the trailers  
11 to him -- not the trailers, sorry -- the tanks to  
12 him, he said: Hey, I can rent them out, and I can  
13 help you set -- offset your cost, and he talked  
14 something like 1,300 or a thousand dollars a month.  
15 That was around July, I believe, July of 20-- 2023.  
16 And then I -- I had -- I had not received any rental  
17 payments from him because I know that he, himself, is  
18 like a business, and he probably was struggling, too,  
19 and I had owed him a bunch of money.

20 But now, since I'm in the court, there can't  
21 be any of those side deals. It needs to be 100 --  
22 I'm not trying to say it was a side deal, either.  
23 I'm just trying to be very transparent with you,  
24 either, that the situation was I wasn't being so  
25 boastful and demanding payment, because Stark Energy,

1 the Debtor, owed money. I saw an invoice in the  
2 area of 27,000, and now I'm hearing a number of like  
3 70,000 owed, but...

4 He's listed on my schedules, you know, so...

5 Q. Right. And he can't be paid.

6 A. But I know I -- I'm sorry. What? Yeah, I'm  
7 not paying. No. I understand that. Sorry, ma'am.  
8 I wasn't trying to talk disrespectfully. But, no,  
9 I'm not paying him. I just -- I need to get  
10 clarification as to if there was any rental income  
11 earned from them, what dates were they earned? He's  
12 supposed to do an accounting of that -- right? -- his  
13 company is, and then give that information to Erik so  
14 I can find out how I legally -- what -- what states  
15 I'm able to get paid for, if -- all payments, if we  
16 need to do demand payments, if we go pick it up if  
17 he's not willing to pay. I mean, this is an area I'm  
18 not familiar with, you know. I've never been in  
19 bankruptcy before.

20 Q. Okay. And, yeah, that was one of the  
21 problems is this rental agreement's not disclosed on  
22 the schedules, and it would need to be.

23 A. And what? Sorry.

24 Q. Oh. The rental agreement was not disclosed  
25 on your schedules.

1           A.     It was just kind of like that situation  
2     where we sat down and talked about renting them out,  
3     and he said he was willing to rent them out. I  
4     didn't -- I never received a payment from him,  
5     so whether he rented them out or not, I -- I assume  
6     he rented them out. I'm telling you truthfully, with  
7     my hand up in the air, not trying to be  
8     disrespectful. I'm just trying to do things -- when  
9     you ask me a question, I'm trying to answer them.  
10    I'm sorry.

11          Q.     Okay. And, well, it just needs to be  
12    disclosed, so you'll just need to amend the schedule  
13    to add that in, and any other rental agreements --

14          A.     Oh, yeah. I'll do that.

15          Q.     Okay.

16          A.     That's the only one currently, ma'am.  
17    That's the only one currently that I know of. I was  
18    trying to get, you know, a rental agreement in place  
19    with, like, equipment I have, you know, but we  
20    already know how that goes. Waiting to get my  
21    equipment back.

22          Q.     Okay. And then, also, you were unsure on  
23    the real estate that the Debtor owns, whether you're  
24    current on the real estate taxes. Do you know today  
25    if the Debtor is current on those taxes?

1           A.     I don't think I'm current on the taxes, no,  
2     ma'am.

3           Q.     Okay.

4           A.     I think there was a credit or something that  
5     I applied for, and they -- they paid a credit towards  
6     it, but I don't think I'm current right now. I can  
7     work to be current, but I don't know how that works.  
8     I mean, I have to ask permission to pay past bills, I  
9     think.

10          Q.     Okay. And what period is delinquent?

11          A.     The -- the gal said she was going to send it  
12     over in an email. I -- I -- I've got to find that  
13     email that she sent it over and so I'll have an  
14     accounting. I can send that over to Erik today as  
15     well.

16          Q.     Okay.

17          A.     I can do that here when we get off the  
18     phone. If it's -- in an hour or two, this will be  
19     over, so make sure that's in there.

20          Q.     Yes. And then if that arose prior to the  
21     bankruptcy, that would have to be disclosed as well.

22          A.     That what? I'm sorry. What?

23          Q.     Also, if those taxes arose prior to the  
24     bankruptcy, that you owe, they would need to be  
25     listed as well on the schedules, so the -- the



1 schedules will need to be amended to add that credit.

2 A. Well, so I meant both of those, the rental  
3 agreement, once I get them figures, if he's actually  
4 rented them out, and then the taxes, you're saying.  
5 Correct?

6 Q. Yes. If they're prepetition tax receipts,  
7 you'll have to amend that as well.

8 Now, Number 70 on the Schedule B you also  
9 were going to check, because you checked that there  
10 were other assets, but none were disclosed. Are you  
11 aware of any other assets that have not been  
12 disclosed on the schedules?

13 A. No. I went over that schedule with Erik's  
14 people. We've updated it and made sure. There's --  
15 the frac tanks are on there. There's drilling bits  
16 on there that I need for my drilling rig. No,  
17 there's no other assets.

18 Q. Okay. Then you probably need to amend that  
19 number as well.

20 A. What? Hold on. I said there's no other, so  
21 why would I amend that? So I'm just trying to get  
22 clarification.

23 Q. You checked --

24 A. Because the drilling bits are -- sorry. Go  
25 ahead.

1 Q. If you could hold on a second. You checked  
2 under Number 70 on Schedule B that there are other  
3 assets, and then you didn't list them. There's a  
4 "no" and a "yes" on whether there are other assets,  
5 and you checked "yes." So if you don't have any  
6 other --

7 A. Oh, then I'll have to double-check that. I  
8 might have -- I might have checked the wrong box.  
9 Sorry, ma'am. I can do that tonight as well before I  
10 give you the report, the monthly report.

11 Q. Okay. And then --

12 A. I've got to do that -- I've got to do that  
13 tonight because you've got to get that tomorrow.

14 Q. And then picking up on the schedules, what  
15 is Fettig Enterprise?

16 A. What is -- what is Fettig Enterprise?

17 Q. Yes.

18 A. It's an over-the-road trucking company, and  
19 it's a repair shop. It's a separate entity I own.

20 Q. Okay. Does Fettig -- has Fettig Enterprise  
21 used any of the Debtor's assets in the past five  
22 years?

23 A. Has it used any of the -- no. It hasn't  
24 used the assets, but it's -- like, the whole plan was  
25 to be, like, providing repairs for Stark Energy

1 'cause the current rate of repair shops -- I don't  
2 know where you're physically located at, ma'am, but a  
3 current repair shop in Dickinson, North Dakota, is  
4 \$200 an hour, and I can do the repairs for like 90  
5 bucks an hour, so it would be cheaper, so that was  
6 the plan.

7 Q. Okay. Is Fettig Enterprise operating?

8 A. On a limited basis. I kind of like --  
9 sorry. I kind of skipped that, you know. I was  
10 hoping to do the maintenance to help -- you know,  
11 help offset the cost for maintenance, because like --  
12 like I said, the -- to maintain equipment, it's \$200  
13 an hour, so fiduciarily speaking, it would be better  
14 to pay, say, 90 bucks an hour with a fully fledged  
15 equal technician, you know?

16 But, you know, I mean, Fettig Enterprise is  
17 going to be firing back up here soon because the  
18 over-the-road -- the distance -- like, the  
19 over-the-road is better money, but that's like a  
20 different company. I mean, I don't understand the  
21 relevance. I'm not trying to be rude; I'm just  
22 saying it's a different thing. But -- and, you know,  
23 I've been focused 100 percent on rebuilding Stark  
24 Energy, ma'am.

25 Q. Okay. And my question was: Has Fettig

1 Enterprise used any of the Debtor's assets in its  
2 business in the past five years?

3 A. I -- I mean -- hold on. Has Fettig  
4 Enter- -- well, I guess Stark Energy probably has --  
5 Stark Energy has went into, say, Montana, like I told  
6 you, or went into South Dakota, like I had spoken to  
7 you before, and to go into the other state, you have  
8 to have a DOT or MC number, so I don't think Stark  
9 Energy has used the assets, but I think Stark  
10 Energy -- I mean Stark -- Fettig Enterprise hasn't  
11 used it, but I think Stark Energy has used the  
12 ability to work -- have a working relationship, if  
13 that makes any sense, ma'am, like so that I can go  
14 and earn money while, say, work is slow in the state  
15 of North Dakota, because Stark Energy has to have a  
16 DOT -- I mean, not Stark Energy.

17 To work in Montana, you have to have a DOT  
18 or MC number; or to work in, say, South Dakota, like  
19 what I did in 2020 when everything, like, took a  
20 crap -- excuse my language -- I took my belly dumps,  
21 owned by Stark Energy, and I took them down to  
22 South Dakota to work, but Stark Energy made the  
23 money; Fettig didn't. But Fettig was able to go into  
24 South Dakota because it had a DOT or MC number, and  
25 at ports of entry with DOT or MC -- DOT or MC

1 authority, all I had to do was sign a piece of paper  
2 saying that I own Fettig Enterprise and I own Stark  
3 Energy, and it's a handshake, you know, like, you  
4 know, agreement where Stark Energy could use the DOT  
5 number, so -- if that makes any sense. Sorry.

6 Q. Correct. So Stark Energy was using Fettig  
7 Enterprise's DOT numbers to work in those states?

8 A. Yeah. Yeah. Yes, ma'am. Because, I mean,  
9 if you -- like, if you don't have -- like right now I  
10 have an aggregate customer out in Williston. He  
11 says: Do you have the permission to go into Montana?

12 And I can tell him: Yes, I do, because I  
13 have this other entity that has the DOT or MC number.

14 Oh, okay. Well, we'll use your truck  
15 instead of no work today. He says -- I mean, I  
16 know you -- you know what I'm saying. Sorry. I talk  
17 a lot, but...

18 Q. Okay. I'm going to pick up on Schedule D  
19 where you're -- ask you some questions about your  
20 secured creditors.

21 And Alliance Funding Group, when did you  
22 take that -- when did the Debtor take that loan out?

23 A. I -- Alliance Funding, when did I take  
24 the -- the -- the debt out?

25 Q. Correct.

1           A.     I -- I don't have a specific date, ma'am. I  
2     don't want to misspeak, but I would say in --  
3     anywhere from 2020 to 2021.

4           Q.     Okay. That's fair.

5                     How about Avanza Group? That's the next  
6     one.

7           A.     That was like probably 2022, maybe.

8           Q.     Okay.

9           A.     That's an unsecured creditor, though, type  
10    of unsecured. It's not a secured creditor. I think  
11    you said secured earlier, but...

12          Q.     Okay. It's listed -- you listed -- you  
13    listed it as a secured creditor on the Debtor's  
14    schedules, so that's where I'm coming up with the  
15    secured reference.

16          A.     Oh, I'm just -- I'm just being clear with my  
17    answers. I'm sorry. I'm just trying to listen to  
18    everything and tell it truthfully, so...

19                     Avanza Group is an unsecured creditor,  
20    ma'am.

21          Q.     Okay. That might be something you need to  
22    amend as well. And then --

23          A.     I'm making a mental note of all this, and  
24    I'm sorry for this. Sorry.

25          Q.     Okay. And then CHTD Company, when was that

1 loan taken out?

2 A. I don't even know what that is. It's  
3 just -- it's a UCC, like a UCC on the Internet. They  
4 have this UCC thing where they put things. That's  
5 probably one of those merchant cash things. I don't  
6 have any literature from them. I don't know anything  
7 about them. I don't even know if I owe them any  
8 money, honestly. I didn't use that. That's an  
9 unsecured.

10 Q. Okay. How about Cloudfund LLC?

11 A. Sorry. Go ahead. Sorry, ma'am.

12 Q. Cloudfund LLC, when was that loan taken?

13 A. Quads Fund? I have the headset on. I'm  
14 trying to hear you clearly, but (indiscernible).

15 Q. Okay. Cloudfund, C-L-O-U-D.

16 A. Oh, Cloud. Cloud, Cloud. Okay. Cloud, if  
17 that's listed as a secured, it should be listed as  
18 unsecured as well.

19 And you're saying when did I take that  
20 funding out? That was in 2001 or '2, I believe. And  
21 then that's, like, one of them MCA things. I think  
22 it's called Yellowstone Capital. They just went  
23 bankrupt and changed their whole company up, so  
24 they -- that's -- that's a (indiscernible). I don't  
25 know. That's like one of those shady lenders from

1 New York.

2 Q. Sure. And then CT Corporation System?

3 A. I'm sorry. The phone cut out. What did you  
4 say, ma'am? I've got five bars, too. I know I'm  
5 supposed to have good signal, so I'm not trying to  
6 say I don't have good signal, but...

7 Q. Okay. The next secured debt that the Debtor  
8 lists is CT Corporation System. When was that loan  
9 taken out?

10 A. CT, that's that -- that thing's got to be  
11 paid off. That's a -- that's a -- that's a merchant  
12 cash thing, I think. That's unsecured as well.

13 It's -- to my knowledge, they list these  
14 things, and they -- and they go under -- underneath  
15 different names. Right? And I've done some  
16 investigating on that. And then that's going to be  
17 in 2001, I think, as well.

18 I'm pretty sure that's been satisfied,  
19 though, so I don't know why they're still having a  
20 UCC, so I don't know about that.

21 Q. Okay. And how about Financial Pacific?

22 A. You said "Pacific"?

23 Q. Yes.

24 A. I -- I -- I have -- I'm trying to dig into  
25 that. I don't have any literature on that. I don't



1 understand that debt. I was trying to -- I'm trying  
2 to figure that out. I don't know. I can't speak to  
3 when I've taken it out because I -- I don't even know  
4 who they are, honestly, so...

5 But it's listed on the United States  
6 government website for North Dakota where they  
7 have -- where they have UCCs, so I have to list  
8 everything on the schedules, you know. I've got to  
9 be truthful. Right? So...

10 Q. Sure. You need to give them notice. That  
11 would be the right thing.

12 MR. AHLGREN: There's a lot of background  
13 noise. I'm going to ask everybody who's on this call  
14 that if you are not speaking, and the only two people  
15 who are speaking are Sarah and Rob, I ask you to  
16 mute. I hear somebody continuing to have some kind  
17 of respiratory issues. Please mute the phone.

18 Q. (BY MS. WENCIL) Okay. And then Gate City,  
19 we can refer to the motion for relief documents, but  
20 the next one was M2 Financing. When was that loan  
21 taken out?

22 A. Yeah. That's all -- I think that's around  
23 2001, 2002.

24 Q. 2001 or --

25 A. Not even trying to --

1 (Simultaneous, indiscernible crosstalk.)

2 Q. (BY MS. WENCIL) -- or 2021?

3 A. -- answer. I'm just being honest.

4 Q. You said 2001 --

5 A. I'm sorry. What did you say, ma'am?

6 Q. You said 2001, 2002 --

7 A. I said 2- --

8 Q. Did you mean --

9 A. Yeah, between that range, yeah.

10 Q. Did you mean 2001 or 2021?

11 A. Oh, I'm sorry. Sorry. Sorry. Yeah. The  
12 business wasn't even formed. Anyway, 2021 or 2022,  
13 yeah. And that's a secured -- secured credit, yes.  
14 A secured, not unsecured.

15 Q. Okay. And then Regions Bank, when was that  
16 loan taken out?

17 A. I think I was able to get it funded just --  
18 just in 2020, I think? The end of 2020. Because it  
19 took a while to get that loan funded. That's my  
20 drilling rig, ma'am. That's secured funding.

21 Q. And River Capital, when was that loan taken  
22 out?

23 A. Maybe 2001, 2022. And that's an unsecured.  
24 Sorry. I'll make a change to that. River Capital.

25 Q. And, again, just to correct the record,

1 2001, you meant 2021?

2 A. Yeah. Yep. I apologize, ma'am. I really  
3 do. I'm not trying to -- yep. 2021, yes.

4 Q. Okay. And then your last debt listed is the  
5 U.S. Small Business Administration. It's listed  
6 at --

7 A. Uh-huh.

8 Q. -- \$2.8 million. Was this a small business  
9 loan or some kind of disaster loan? What kind of  
10 loan was that?

11 A. Pretty sure it's a disaster loan, and that's  
12 like a combination of 2020, '21, like a whole period  
13 of time. Right? There's a whole period of time  
14 where they give you -- they gave us like 300 grand at  
15 first, I think it was, or 150 grand at first, and  
16 then they just kept walking it up. But it's not  
17 28 -- 2.8 million. They put like \$700,000 in  
18 penalties on there or interest or something. There's  
19 \$2 million in aggregate of the loan.

20 Q. Okay. But the loan total was \$2 million?

21 A. Roughly. Yes, ma'am.

22 Q. Okay. And then you're stating you took that  
23 out in 2020 to 2022?

24 A. I would -- yeah. They didn't have anything  
25 after that, so it would be that period of time, yes,

1 ma'am.

2 Q. Okay. And then --

3 A. It might have been like 2020 and 2021,  
4 maybe, even. I don't think -- it might have even  
5 been 2020. I don't --

6 Q. Okay. And then --

7 A. I've got the 72-page document somewhere at  
8 the house, and it's got each day that they doled out  
9 the cash.

10 Q. Okay. And how were these proceeds used?

11 A. For the business, paying the expenses for  
12 the business. Fuel. Labor force. Maintenance.

13 Q. Okay. Did the Debtor get additional -- like  
14 the payroll loans in addition to these loans?

15 A. Yeah. Yeah. I got -- I got PPP loans, and  
16 I got them both forgiven because they -- like  
17 136 percent of them, because I used my own money,  
18 too, that I was making, or more than it, because --  
19 actually, when I went to go get it, like, forgiven,  
20 respectfully, somebody at Gate City said that I was  
21 like -- like -- I was not -- like this is -- these  
22 numbers don't work out.

23 And I'm like: Well, here's the payroll  
24 report, you know? I paid 120 percent of the payroll,  
25 you know? I used a hundred percent of that money

1 plus the money -- you know, I was excited. I used it  
2 for payroll, you know? That's what it was for, you  
3 know? Hired more people.

4 Q. Okay. And how much were the PPP loans?

5 A. 230-something apiece, I think.

6 Q. And how many were there?

7 A. Only two of them, ma'am, that there were  
8 ever given, the PPP loans.

9 Q. So that was \$660,000?

10 A. And they both -- no. If it was 230 and you  
11 times it by two, that would be 460.

12 Q. 460. 460,000. Okay. And this was in  
13 addition to the \$2 million disaster loan?

14 A. That's correct, ma'am.

15 Q. Okay. And going to the Schedule E/F, the  
16 priority loan of -- the first one listed is a \$19,000  
17 claim for a Greg Moore. Is that a former employee?

18 A. That's a -- a former employee, yeah, but  
19 that was a former employee -- I think there's  
20 maybe -- 3,000 of that, I think, is eligible for  
21 priority.

22 Q. That's correct.

23 What --

24 A. Because of the six-month rule.

25 Q. What period did this 19,000 arise from?

1 A. I'm sorry. What, ma'am? What --

2 Q. When did the --

3 A. -- period what?

4 Q. When did his wage claim arise from? What  
5 period was he not paid?

6 A. I don't have that exact number in front of  
7 me.

8 Q. Okay.

9 A. I mean, to have that exact number in front  
10 of me -- I can send it to you, but I went over those  
11 numbers with Erik's staff, and I was truthful and  
12 honest. I think \$3,000 of it was the mathematical  
13 equation, because there was three weeks that were  
14 eligible in that six-month window. Right? So...

15 Q. That's right. And -- and you had -- we just  
16 discussed these -- the \$460,000 of PPP loans, and you  
17 have a large number of wage claims --

18 A. Oh, this is going to be -- this is -- this  
19 is going to -- it's not no wage claim, no. It's  
20 going to be Greg Moore worked for me in the year of  
21 2023 or 20- -- the end of 2022 going into 2023.

22 Q. Okay. So what's --

23 A. So like --

24 Q. -- the PPP loans --

25 A. The PPP loans were like -- the PPP loans are

1 like 2020 and 2021.

2 Q. Okay. So once the PPP loans ended, the  
3 Debtor was unable to pay its employees? How did --  
4 I'm just curious how all of these wage claims arose.  
5 You don't usually see a business that doesn't pay  
6 their employees to the extent you have.

7 A. Okay. So the wage claim arose due to the  
8 fact that I had money coming into my account, but I  
9 had what you'd call predatory lenders called MCA,  
10 cash advances, that were taking money out of my  
11 account. So I would make \$100,000, and I'm happy and  
12 everything's going good, but as soon as they take  
13 money out of my account, it just didn't work. Those  
14 MCA loans pretty much tanked my business. The  
15 merchant cash advances, they're -- they're all over.  
16 I'm sure a lot of companies go bankrupt because of  
17 them.

18 Q. Okay. Well, how were you using those  
19 merchant cash advances in the first place?

20 A. How was I or why was I? Sorry.

21 Q. Yeah. No. How were you using that money?  
22 I guess I don't understand why, when you were getting  
23 the loans, you weren't just paying the employees.

24 A. Because I -- I -- I don't even know for a  
25 fact, and I don't want to get into an emotional thing

1 where I talk about other people, but there's -- let's  
2 just say there's a person that might be on this phone  
3 line, and that person was signed up to do a job, and  
4 that person walked away from the job within two  
5 weeks. It wasn't like me telling them that they had  
6 to go work, but they signed up for the job.

7 I went through a lot of hiring people that  
8 said they could drive a truck that were on board and  
9 that left the job before they even got a paycheck.  
10 They left loads, underneath loads. Like, they were,  
11 like, underneath, like, making money, and they were  
12 paid, but they would leave a load.

13 Or even now, if I get a job lined up with  
14 three or four trucks, you have a situation where you  
15 have to have a good workforce. Right? So I -- in  
16 that period of time, in 2020 and 2021, it was hard to  
17 get what you'd call people, workforce that wanted to  
18 come to work. I had people quit because I made them  
19 go to work because I was getting the PPP loan to keep  
20 them at work, and they wanted to sit at home on the  
21 government dollar.

22 So I would get a predatory loan, and I would  
23 get that for the idea of keeping the company going.  
24 I had even a -- a -- a vendor owed me \$176,000 on a  
25 rock aggregate project, as an example. I went to go



1 get my paycheck from them. I -- I did my  
2 calculations. I was owed 117,000. I thought I was  
3 going to get paid 117,000. They said that they were  
4 only able to cut me a check for 19,500, and then in  
5 another 30 days I would get paid another group of  
6 money, you know. It was just -- you know, I mean --  
7 I'm not even trying to get emotional about it. I'm  
8 not trying to get upset. You're just asking  
9 questions. But I would take a -- a business loan,  
10 like those merchant cash advances, because I was  
11 trying to get things going in the right direction,  
12 and I would be able to get things going in the right  
13 direction, but then people would be -- walked away  
14 from the job.

15 And then when you go back to the labor force  
16 and nobody wants to go to work during 2020, 2021, and  
17 even 2022, it's not even until the later part of 2023  
18 that people were able to start finding employers and  
19 people they wanted -- that wanted to go to work, you  
20 know, that were willing to go to work, if that makes  
21 any sense. You know? Not trying to speak to all  
22 people, but that's what I was experiencing.

23 Q. Okay. And then the North Dakota Tax  
24 Commissioner has a claim -- is listed with a claim of  
25 \$51,000. What are those taxes for?

1           A.     I honestly don't know. I'm not even going  
2     to lie to you about that. Like, I don't know. Like,  
3     I'm upset about it because I know that any of the  
4     wages that I have paid, I've paid wages, so it can't  
5     be wages. I don't -- I don't foresee that to be.  
6     But you say it's 550 -- what is it?

7           Q.     51,000, about.

8           A.     I -- I don't know exactly what that tax  
9     liability would be for. I have no problem digging  
10    into it, but I don't know.

11          Q.     Okay. And then for the general unsecured  
12    claims, does the Debtor understand that it cannot pay  
13    any of those claims without a court order or a  
14    confirmed plan?

15          A.     The secured -- you're saying that I can't  
16    pay any claims without a -- and a what? Sorry.

17          Q.     You can't pay any of the Schedule F general  
18    unsecured claims. Does the Debtor understand that  
19    they cannot pay those claims without a court order or  
20    a --

21          A.     Yeah, I'm not paying any -- I'm not -- I'm  
22    not paying anybody. The Debtor understands that he  
23    cannot pay any past-due debt from the date of  
24    April 23rd, since inception of the note, and that  
25    anything I want to pay I have to ask Erik's

1 permission, and he's got to write something with the  
2 courts and then -- yes, ma'am. I understand that a  
3 hundred percent.

4 Q. Okay. And then on the larger claims, the  
5 question, this Amerifi Capital, LLC, has \$181,000.  
6 What was this -- how did this claim arise?

7 A. That is an unsecured creditor, and that is a  
8 predatory lender, and that claim arose in the year of  
9 2021 and 2022. And they would call you and keep you  
10 in debt.

11 I actually think that that claim was  
12 inflated with a bunch of ridiculous fees and --  
13 and -- not saying that I know anything about fees,  
14 but I don't think he can charge \$100,000 in fees, you  
15 know, and 49 or 60 percent interest or, if you do the  
16 math, a hundred -- 120 percent interest, you know,  
17 APR.

18 Q. Okay. What kind of services is Bright  
19 Design Homes?

20 A. That would be employee housing, ma'am.

21 Q. Okay.

22 A. At -- employee housing. I lost a contract  
23 up there.

24 Q. Okay. And then another larger claim, this  
25 Brian Adolph Koststelecky? Kostelecky?

1 A. Kostealecky, yep.

2 Q. \$18,000. What kind of claim is that?

3 A. That's employee housing as well.

4 Q. Okay. Did he provide the employee housing,  
5 or was he an employee?

6 A. No. He provided the employee housing, and  
7 we rented that from him for many years with no  
8 problems, and then when the company started  
9 experiencing difficulties -- it experienced  
10 difficulties, so...

11 Q. Okay. And then I'm jumping ahead to Number  
12 3.19, Dynasty Capital 26, LLC, 144,000. Is that  
13 another predatory lender?

14 A. Correct, ma'am.

15 Q. And when was that loan made?

16 A. I'm sorry. What? When was it taken out?  
17 I'm just going to assume, but I couldn't hear you.

18 Q. Correct.

19 A. The same period of time, the 2021/2022. I  
20 don't touch those funds -- loans. I haven't touched  
21 anything, obviously, since bankruptcy. Even prior to  
22 bankruptcy, I stayed away from that stuff. I ignore  
23 all phone calls, block phone calls. Not to hide from  
24 a debtor, but they just -- they'll call -- if you  
25 call them now, they'll say: Hey, I'll send you

1 another hundred grand. You're a good person. You'll  
2 dig yourself out of the hole.

3 They don't care. They want you to go  
4 bankrupt.

5 Q. Okay. Is it the same for this EN OD  
6 Capital, LLC?

7 A. Yeah. It's -- yeah. He's a real creative  
8 person. He calls his company "end of day." Yep.

9 Q. End of day. Okay. And when was that loan  
10 taken out?

11 A. 2021/2022, ma'am.

12 Q. Okay. And how --

13 A. I'm saying 2022 as in, like, early part of  
14 2022. It wouldn't be the latter part, any of these  
15 2021/2022s, just so you know.

16 Q. Okay. And the Everyday Funding Group, LLC,  
17 is another \$100,000. Is that the same situation?

18 A. Yes, ma'am.

19 Q. Is that the same --

20 A. I'm sorry. Something was banded in the  
21 background. What did you say?

22 Q. I hope everyone's all right there.

23 Is that -- was that Everyday Funding Group  
24 loan taken in the same period?

25 A. Yes, ma'am. All predatory loans were taken

1 anywhere from 2021 to 20- -- even in 2020 --  
2 right? -- but I'd say mainly 2021 and 2022.

3 Q. Okay. And who is the John C. Williams &  
4 Associates?

5 A. What's the dollar amount?

6 Q. About \$62,000. Is that a lawyer, or --

7 A. Fuel card with a ridic- -- it's a law firm  
8 representing a fuel account with a ridiculous penalty  
9 fee of like 30- or \$40,000, plus legal fees. Crazy.

10 Q. Okay. And then I believe this creditor was  
11 on the line. Keller Paving & Landscaping for  
12 \$52,000. How did that debt arise?

13 A. I had a spill cleanup in the state of North  
14 Dakota. A spill cleanup in the state of North  
15 Dakota. I was able to pay a few payments to them,  
16 and I was hoping to get the payments caught up. He  
17 was going to retain a lawyer, which I think he ended  
18 up doing, but then we were going to work it out, and  
19 then I -- I obviously filed bankruptcy, and I  
20 couldn't pay him, you know. I filed bankruptcy.

21 Q. Okay. This Knightsbridge Funding, LLC, is  
22 that another of how you'd characterize a predatory  
23 lender?

24 A. Yes, ma'am.

25 Q. Okay. Is that the 2021/2022 period as well?

1 A. Yes, ma'am.

2 Q. And how about the Landmark Funding?

3 A. Similar loan. Predatory loan.

4 Q. Okay. Same period?

5 A. What did you say, ma'am? Sorry.

6 Q. Oh. The same period?

7 A. (No audible response.)

8 Q. 2020- --

9 A. For the Landmark Funding. Correct?

10 Q. For 2021/2022?

11 A. Yes, ma'am.

12 Q. Okay. And then the Matthew Barrett claim of  
13 \$60,000, is he the former partner in the business,  
14 co-owner?

15 A. Yeah. He was a partner, but respectfully, I  
16 don't -- I don't want to be disrespectful or  
17 anything, but I don't really want to characterize him  
18 as a partner.

19 He was a -- a person that I started the  
20 business with in 2017. In the early part of March  
21 of 2019, I bought him out at the -- at the bequest  
22 [sic] of him, because he said he was going to get  
23 lawyers, and his mom and dad didn't want him to work  
24 with me anymore.

25 And I ran the business from 2020 -- 2020 --

1 2019 on without him even being on paper, but in that  
2 sense, he just was operating side by side with me for  
3 four to five months and then found out he didn't like  
4 to work with me during the whole entire life of his  
5 entire existence.

6 The \$60,000 stems from a  
7 hundred-thousand-dollar cash infusion that he agreed  
8 to give me, and the terms of the arrangement were  
9 that I was to pay him \$120,000 return on investment.  
10 I told him I was dealing with some tough times; I've  
11 got to figure this out; you know, I'm trying to get a  
12 better footing. I'm only able to pay you 60,000  
13 right now, and so the \$60,000 arises from that, that  
14 -- that loan.

15 Q. Okay. And he also guaranteed the Gate City  
16 assets?

17 A. No. He guaranteed three of the assets, I  
18 believe, and I got -- I got -- I bought him out of  
19 the business, again, in 20-- 2019, and it was my  
20 understanding that Gate City was to remove him off  
21 the -- the assets. I gave the paperwork to a Greg  
22 Ellwein. He's their business banker. And then their  
23 business banker and/or Gate City in that sense --  
24 respectfully I say this. I'm not trying to be  
25 insulting, but everybody's got a tactic here. Even



1 Gate City allowed me to bring my shop current and  
2 then backed out. When I went to go make the payment  
3 on my shop, like I told you before, they wouldn't let  
4 me make the payment.

5 So their tactic was since he's still liable  
6 on this one or two assets -- or three assets, they're  
7 going to, you know, rope anybody in, because they  
8 didn't take him off the loan. They were asked to.  
9 Except Matt didn't take him off the debt, didn't do  
10 the paperwork like he was supposed to when he was  
11 bought out in 2020 -- '19, March. 2019. Sorry.

12 Q. Okay. And have you personally guaranteed  
13 any of the Gate City debt?

14 A. I don't know. I -- I signed a lot of  
15 paperwork. I'm sure they're going to say I did, but  
16 to be honest with you -- I mean, it might sound  
17 stupid, but I'm sure at one point in time, I did.  
18 I'm sure there's something that says that, but I  
19 don't know if I signed it or not or if it was put in  
20 later.

21 Q. Okay.

22 A. I know that my interest rate and payments  
23 changed at one point in time with Gate City. That  
24 was kind of awkward, but whatever.

25 Q. Okay. Just so -- you weren't listed as

1 having guaranteed it on the Schedule H, so I -- if it  
2 turns out you did, you'll want to amend the schedule.

3 A. If -- if it says I did, then we -- we went  
4 through the paperwork and said it, but, I mean, I --  
5 this is a lot of stuff to go over, and sometimes I  
6 don't -- I mean, I'm not trying to be elusive or  
7 anything like that. It's just I -- I have no problem  
8 figuring out exactly if I did or did not. I'm sure I  
9 did. Gate City is not the type of bank that doesn't  
10 do unsecured credit. Right? So...

11 Q. Okay. And then the Midland State Bank,  
12 \$220,000, how did that debt arise?

13 A. I bought two semitrucks with KLC Financial.  
14 How it arose is I fell behind on payments. I asked  
15 them to move my missing payments to the back end,  
16 because I didn't even know you could do that, and  
17 then they told me later on that you could do that,  
18 and I should have told them right away that I was  
19 dealing with financial trouble, can I wire them  
20 \$19,000 today or they're going to, you know, have  
21 problems with me or something in the business.

22 And then they say that I owe 220, is what  
23 you're saying, and I wrote that down in the schedule  
24 as well. I'm not saying I didn't. I went over it, I  
25 signed it, attested to all the information there, but

1 that -- that's an interesting situation. They  
2 actually sold assets. They didn't notify me of the  
3 sale. So they sold a truck for \$10,000 and \$12,000,  
4 and I did not -- I can't -- I cannot believe it.  
5 It's unfathomable, you know? It -- it's crazy. But  
6 that's how that arose.

7 Q. Okay. And Parkview Advance --

8 A. How would you not notify somebody?

9 Q. And Parkview --

10 A. You said Parkview Advance?

11 Q. Yes.

12 A. I don't know if I owe them any money. Does  
13 it say a dollar amount?

14 Q. 50,000.

15 A. That's what they're saying I owe them.  
16 That's going to be a merchant cash advance, unsecured  
17 as well.

18 Q. Okay. Is that the same 2021/2022 period?

19 A. Yeah. Maybe it's closer to 2020, but I  
20 would really believe not, but yeah.

21 Q. And the Pinnacle Business Funding, LLC, is  
22 that a similar type of loan?

23 A. It's a merchant cash bloodsucking loan as  
24 well, yeah.

25 Q. Same period --

1           A.     Same timeframe, 2021 -- 2021/2022. I mean,  
2     I might be off three -- three to six months in there.  
3     It might be overlapping into 2020 or -- I -- I -- I  
4     very doubt it's overlapping into 2023 because I've  
5     been ignoring phone calls and predatory lenders for  
6     well over 2023, and those people keep calling me  
7     right now even. They're nasty, but...

8           Q.     Okay. And then River Advance, is that a  
9     similar merchant credit loan?

10          A.     Yeah. I thought you already mentioned that,  
11     but, yes, ma'am. Maybe River Advance, maybe it's  
12     River Capital Partners. I believe they have two  
13     different names, but yeah.

14          Q.     Okay. This is the same as the secured  
15     creditor, that same River? I think --

16          A.     No. There's no -- there's no secured  
17     creditor with any River company. Those are, again,  
18     predatory people.

19          Q.     Okay. And The Avanza Group, LLC, is this  
20     another -- is this a duplicate of the one on  
21     Schedule D as well?

22          A.     I would believe so. It's a -- it's a --  
23     it's a -- it's a predatory lender, yes, ma'am.

24          Q.     Okay. And then the Yuker Towing has a  
25     \$27,000 claim. What does the Debtor owe them money

1 for?

2 A. For towing. And, I guess, according to  
3 everybody out there, it says it's more than that, but  
4 I was -- I was only able to get that dollar figure  
5 from an email. You know, I was having to get you  
6 guys the actual quote and numbers and -- you know, I  
7 got that from an email. It might be more than that.

8 Q. Okay. Are there any debts listed on  
9 Schedule F where the money went to any entity other  
10 than Stark Energy?

11 A. On what schedule? Sorry.

12 Q. I guess listed on --

13 A. Oh, okay. You're saying on the -- on the --  
14 on these debts. No. All the money went to Stark  
15 Energy. No, didn't go to any other entity. No,  
16 ma'am.

17 Q. Okay. And looking at --

18 A. Are you still there? Sorry.

19 Q. -- codebtors, there was an entity called  
20 South Metro Remodel and Home Repair that guaranteed  
21 the Parkview debt. What is this entity? How did  
22 they come to guarantee the debt?

23 A. That's not even true. That's -- that --  
24 they didn't guarantee anything. See, those predatory  
25 lenders, what they do is they search the Internet,

1 and they search the Internet and they see if a guy  
2 like myself owns a company in any other state, any  
3 other community -- and my dad has the same name as  
4 me, my father.

5 Q. Okay.

6 A. He's like 67, 67 years old, and he owned  
7 Southwest Remodel and Home Repair business in the  
8 year of like -- I don't know. It's irrelevant.  
9 Right? The early 2000s. And so they just list that  
10 because they're predatory lenders, so...

11 Q. Okay. So you don't think that's a real  
12 guarantee, then?

13 A. I would really laugh if they called my  
14 father. My father's an asshole. Excuse my language.  
15 I've seen him four times in 20 years, ma'am. I think  
16 I earned that right. And all four times, I paid to  
17 see him, so...

18 Q. Okay. And the business in 2024 -- I'm going  
19 to the Statement of Financial Affairs. Would you say  
20 it's doing as well as 2023 or better, or how would  
21 you characterize the Debtor's business so far for  
22 2024 compared to 2023?

23 A. I think we're getting better. I think we  
24 are getting better than 2023. I think we're going to  
25 get a lot better here soon after the election year,

1 and I think we're better now because of the problem  
2 with the United States government and when they --  
3 they give you money for road construction projects,  
4 such as delay, and a lot of projects were put off for  
5 many years, and now they're starting to kick off, you  
6 know? So that's, again, why I'm trying to get my  
7 assets back from Gate City.

8 Because the two side dumps I was able to put  
9 out for -- your projections you're looking for. I  
10 had a phone call, I had a long conversation with two  
11 customers, and both customers said somewhere in the  
12 area of, like, a ridiculous amount, like 220 grand  
13 for three months' worth of my time. And I was like:  
14 Wow, I could really use that. I could pay my  
15 creditors. I could pay people. This would be great.  
16 Oh, wait. I don't have my side dumps, so...

17 Q. Okay. Is the business seasonal? Are there  
18 times, I guess, when you can be on the road? Can you  
19 operate year-round, or does it -- you have to lighten  
20 up in the winter, or how does that work?

21 A. It could lighten up in the winter, it could,  
22 but it doesn't have to. I think we can work and  
23 focus our efforts in the winter months to haul water,  
24 to hydrovac, to utilize our side dumps to haul drill  
25 cuttings, because side dumps can be used for

1 aggregate and drill cutting. So, I mean, where  
2 there's a will, there's a way. Right?

3 Q. Sure. And do you understand that the Debtor  
4 cannot pay any of its professionals, like an attorney  
5 or an accountant, unless the Court approves the  
6 payment?

7 A. Yes. That's why I've been begging to use my  
8 CPA firm.

9 Q. Okay. And do you understand that the Debtor  
10 cannot make or receive any new loans without Court  
11 approval?

12 A. Yes, ma'am. I have not, I mean, even  
13 attempted or even thought of a loan. I'm just  
14 thinking about working, going to jobs.

15 Q. Okay. And do you understand the Debtor  
16 cannot use -- pay any of -- of your personal expenses  
17 beyond your salary or business expenses?

18 A. Oh, yes. I'm very aware. That's why I have  
19 the DIP account, ma'am.

20 Q. And in the past year has the Debtor sold,  
21 transferred, or concealed any of its property other  
22 than sales in its ordinary business from any  
23 creditors?

24 A. You're saying in the last year?

25 Q. Correct.



1           A.     No. I have not sold or concealed or done  
2 any of that stuff.

3           Q.     Okay. I'm just --

4           A.     I -- I thought about selling equipment, but  
5 I never -- I never sold anything. I -- I -- you  
6 know, I thought about -- like, asked people if they  
7 were -- if they were interested in buying something,  
8 you know, but -- everybody said that they were, but,  
9 you know, when the world comes around and they say,  
10 Oh, you've got the money, and then they don't have  
11 the money, you know? So -- but I haven't sold  
12 anything, no.

13          Q.     And does the Debtor have to maintain any  
14 specific licenses to operate?

15          A.     A waste hauling permit.

16          Q.     I'm sorry. Could you repeat that?

17          A.     A waste hauling permit.

18          Q.     Okay. Any others?

19          A.     When I work on the reservation, I'll have to  
20 maintain a TERO, TERO license.

21                 I mean, in the future, when I get into  
22 hauling TENORMs -- I'm not doing that currently, but  
23 if I have to and I get a chance to make the money  
24 from doing the job, I'll do it, but not right now,  
25 not currently.

1 Q. Okay. Does the Debtor have any active TERO  
2 licenses right now?

3 A. TERO, you said. Right?

4 Q. Yes.

5 A. Have any active what?

6 Q. Permits for working on reservations.

7 A. Not currently, no. I have a preferential  
8 partnership agreement, but I don't have a TERO  
9 license, because I was in the process of getting a  
10 contract with an oil company that works exclusively  
11 on the oil -- on the reservations, but I just -- you  
12 know, I focus where the money is now, and the money  
13 is working in the aggregate and getting the hydrovac  
14 out, getting my equipment back, getting my tankers  
15 out.

16 Q. Okay. And then I guess yesterday we were  
17 going to hold this meeting, and then you had your  
18 criminal -- a hearing on your criminal matter. What  
19 happened at that hearing? What's the status of the  
20 criminal --

21 A. They -- they -- they -- they -- they dropped  
22 the charge or whatever. They dropped the case.  
23 They -- they dropped the case, and they're -- that  
24 was with Regions Bank, so...

25 Q. Okay. Okay. Are there any criminal

1 proceedings, other ones, pending right now?

2 A. I don't have any dates of any trial or  
3 anything like that. I don't have anything. I have  
4 two open charges, but I don't have any --  
5 respectfully, I mean, I -- I know I'm supposed to  
6 answer all your questions truthfully and stuff, but  
7 I'm not trying to be painted out as a bad person.  
8 I'm not a bad person, so...

9 But I don't have any convictions. I don't  
10 have any scheduled court appearances. I had a court  
11 lawyer guy that, you know, said just -- we're just  
12 going to go through the motion, and they don't --  
13 they don't -- and there's no -- there's nothing new  
14 at this point.

15 Q. Okay. I'm going to go through the U.S. --

16 A. There's nothing new. There's no --  
17 there's -- sorry. What?

18 Q. I'm going to go through the U.S. Trustee's  
19 requirements on the record just to make sure that the  
20 Debtor understands them.

21 And do you understand that the Debtor has a  
22 fiduciary duty to keep all of its assets insured  
23 while the case is in 11?

24 A. Yep.

25 Q. Okay. And do you understand that if your

1 insurance expires, the United States Trustee will  
2 move to dismiss or convert the case?

3 A. Yeah, that's understood. Yeah.

4 Q. Okay. And then we do have the proof of  
5 insurance now through January of 2025, so hopefully  
6 the case will be confirmed by then, and that will  
7 take care of it, but if the insurance does expire  
8 during the case, we would need new proof of insurance  
9 immediately.

10 A. Oh, that's no problem. I understand. I  
11 need the same thing to maintain my MSA.

12 Q. Okay. And do you understand that each month  
13 the Debtor must submit an operating report to the  
14 U.S. Trustee's Office and file that report with the  
15 Court?

16 A. I've got to do monthly reports. Right?  
17 That's what you're talking about. Right?

18 Q. Correct.

19 A. Yeah. Yeah. Yes, ma'am. I'm going to be  
20 submitting my first report this evening.

21 Q. Okay. And they come -- do you understand  
22 that the reports will come due on the 21st day after  
23 the end of each month?

24 A. I didn't know -- I thought it was the 20th,  
25 but one day earlier is better.

1 Q. Yeah. That will be on time.

2 And do you understand the U.S. Trustee's  
3 Office will move to convert or dismiss the case if  
4 the reports are not timely submitted and reasonably  
5 cured?

6 A. I -- yeah, I understand that. I'm  
7 listening, yeah.

8 Q. Okay.

9 A. I know what I'm supposed to do.

10 Q. And you understand that by filing a  
11 Subchapter V case, a Subchapter V Trustee was  
12 appointed?

13 A. Yeah. There's a Mr. Kapusta, I think.  
14 Correct?

15 Q. Correct. And do you understand that the  
16 Debtor must cooperate with Mr. Kapusta?

17 A. Yeah. I want to cooperate with you people.  
18 You're my team; so, yeah, get this thing confirmed  
19 and do a good job.

20 Q. Okay. And do you understand that the Debtor  
21 would be liable for any fees of Mr. Kapusta that the  
22 Bankruptcy Court approves?

23 A. Yeah, I understand that. That's why -- yep.  
24 I understand that, yep. Fully. Yep. I've got to  
25 pay fees to Mr. Kapusta.

1 MS. WENCIL: Okay. And then my next  
2 question Mr. Ahlgren can answer, and that's whether  
3 the Debtor's on schedule to file their plan within  
4 the 90-day statutory period or if he expects any  
5 extensions.

6 ROBERT FETTIG: I think we can do that  
7 90-day thing.

8 UNIDENTIFIED SPEAKER: I don't --

9 MR. AHLGREN: Oh, I'm sorry. I was on mute.  
10 Yes. I -- I -- I believe that we will be  
11 able to file a claim within the required time  
12 periods.

13 MS. WENCIL: Okay. Thank you.

14 And then I'm going to open it up to other  
15 questions right now as I go down the list.

16 Mr. Kapusta, do you have any questions for  
17 the Debtor?

18 MR. KAPUSTA: I have no questions for the  
19 Debtor. Thank you.

20 MS. WENCIL: Okay. Thank you.

21 And then next, Mr. Westby, do you have  
22 questions for the Debtor?

23 MR. WESTBY: Yeah. One.

24

25

/ / /

EXAMINATION

BY MR. WESTBY:

Q. Rob, this is Randy Westby with Keller Paving. We did that cleanup for you in 2002 -- or 2022. Excuse me.

A. Yeah.

Q. We were under the impression that -- that you were going to get a reinsurance -- insurance on that. Did you not?

A. No. I don't think we were under that -- you were under that impression, but I didn't state that. I'm sorry that you were under that impression, but I think that's incorrect. I talked to Mr. Dean, and he said to just take care of it on my own, so...

Q. Okay. So there was no insurance filed -- claim filed?

A. No, there wasn't any insurance claim filed, and -- and Mr. Dean was aware of that. You guys have been made aware of that. And he said he was going to work with me, but then I ended up going into bankruptcy, so...

Q. I understand. We received one \$1,000 payment from you, I believe, so...

A. Well --

Q. You have -- Stark Energy owns some real

1 property. Is that correct?

2 A. Does Stark Energy what?

3 Q. A shop?

4 A. Yeah. I own my shop --

5 Q. Do you own any real --

6 A. -- yes, that's correct.

7 Q. Okay. So our -- our claim would -- secured  
8 would be -- would then be attached to that real  
9 property. Is that correct?

10 A. (No audible response.)

11 Q. You don't know that, Rob. Okay.

12 A. I -- I doubt that that would be correct  
13 because you guys did unsecured work on a handshake  
14 deal looking out for me, and I don't know if I'm  
15 talking to anybody with Keller Paving or a lawyer for  
16 Keller Paving.

17 Is Erik available? Erik, are you on the  
18 phone?

19 MR. AHLGREN: I am. Yes, I'm on the phone.

20 ROBERT FETTIG: Okay. So if Stark Energy  
21 did a spill cleanup and it was a verbalized agreement  
22 and it was a handshake deal that I was going to take  
23 care of it on my own -- and Mr. Dean is a great dude,  
24 and I wanted to take care of it on my own, but right  
25 now, just like the lady stated, I can't pay any



1 past-due debt, and if I pay any past-due debt, I'm in  
2 trouble. I'm making -- I'd be making the worst move  
3 of my life. So, no, there's no -- there's no secured  
4 claim to cleaning up something -- I'm -- I'm going to  
5 be -- I'm just going to be quiet, man. There's --  
6 there's no way.

7 MR. WESTBY: Mr. Alrich [sic], we -- we  
8 received a judgment in District Court, and --

9 MR. AHLGREN: Okay.

10 MR. WESTBY: (Indiscernible) North Central,  
11 and so I'm assuming that judgment will attach to any  
12 real estate that Mr. (indiscernible). Is that  
13 correct?

14 MR. AHLGREN: Do you know what? If you've  
15 got a judgment, you may very well be -- be correct,  
16 but I don't know whether you have a judgment.

17 MR. WESTBY: I -- I do have it in front of  
18 me, as I said to the Court.

19 That's my only question.

20 MR. AHLGREN: Okay.

21 MS. WENCIL: Thank you.

22 And then Mr. -- was it Kostelecky?

23 (No audible response.)

24 MS. WENCIL: Have no questions. Okay.

25 Ms. Stanley, do you have questions?

1 MS. STANLEY: Yes, I do.

2 EXAMINATION

3 BY MS. STANLEY:

4 Q. Mr. Fetting, at the hearing --

5 A. Yeah.

6 Q. -- last week, I believe -- I believe you  
7 testified there were several pieces of equipment that  
8 were free and clear of liens. Can you tell me what  
9 they were again?

10 A. I have a 2005 Kenworth T800. I have a 2007  
11 International. I have a 2011 Peterbilt. I have a  
12 2010 -- not '10 -- 2007 F-150 and '10, I think. I  
13 mean, there's a -- there's a trailer --

14 (Simultaneous, indiscernible crosstalk.)

15 A. Sorry.

16 Q. (BY MS. STANLEY) Sorry. Can you stop for a  
17 second? Can you point them out to me on your  
18 schedules?

19 A. No, I can't point them out to you on the  
20 schedule, ma'am. I can't --

21 Q. Why not?

22 A. -- point them out on the schedule.

23 I'm sorry. What?

24 Q. Why can't you point out which ones on the --  
25 on your schedules are unsecured?

1           A.     I -- I -- because. I'm in the truck right  
2           now, and I'm working, and I'm listening to you and  
3           all the questions answered, and I can't point exactly  
4           to what's there, but I've given you the year, model,  
5           make. I mean, I -- you can ask me a question. I can  
6           confirm if that's that. I mean, I'm definitely doing  
7           everything I can, but I'm also working --

8           Q.     Did you --

9                     (Simultaneous, indiscernible crosstalk.)

10          Q.     (BY MS. STANLEY) Did you at the hearing  
11          indicate there was a belly dump that was unsecured?

12          A.     No, I did not indicate that a belly dump was  
13          unsecured. I indicated that I have a dump trailer  
14          that's unsecured.

15          Q.     A dump trailer. What year was that?

16          A.     That's a -- that's a Trail King. It's not a  
17          Trail King. It's a load pit -- load trailer thing.  
18          Load Trail. I don't know the year, ma'am. It's  
19          black.

20          Q.     Did Stark Energy have a 2015 Great Dane  
21          53-foot reefer trailer?

22          A.     I -- it may or may not have a 2015 Great  
23          Dane reefer trailer with a loan on it, Stark Energy.  
24          I don't know. Is it listed on the schedules?

25          Q.     Hang on. How about -- no, it's not. That's

1 why I'm asking, because there's a --

2 A. Okay. So -- so -- so clarification --

3 (Simultaneous, indiscernible crosstalk.)

4 Q. (BY MS. STANLEY) Number was RT001.

5 A. Okay.

6 Q. The unit number.

7 A. Okay. To clear the air, you don't like me,  
8 and I'm okay with that, but I'm going to keep  
9 professionalism here.

10 I don't know what you're trying to get at,  
11 but everything that I have that's in Stark Energy's  
12 name is listed, and that trailer I think you're  
13 talking about is an ice trailer that Kevin actually  
14 allowed me to use as collateral one time, but I  
15 actually paid the loan off. He did it for a short  
16 time when I was --

17 Q. Okay. But I'm asking --

18 A. -- dealing with financial hardship.

19 Q. What happened to the trailer? Do you still  
20 have it? Was it sold?

21 A. Is it free and clear?

22 Q. What happened to it? Do you still have it?  
23 Is it sold? It's not listed on the schedules.

24 A. The trailer that you're talking about is in  
25 my possession, yes, and it's not, to my knowledge --

1 if you're even remotely correct in saying it's under  
2 Stark Energy's name, to my knowledge, I don't believe  
3 it's in Stark Energy's name. I don't know at what  
4 year or time it may have changed or if it even did  
5 change, but I have no problem correcting anything.  
6 I'm trying to do everything else of the Court's.

7 So if you can tell me the number again, I  
8 can make a mental note, like I've made on all these  
9 other notes, and I can get that information to Erik.

10 It's RT what?

11 Q. 001.

12 A. Okay. RT001. I can go ahead and -- and  
13 what notes are you working from? Are you working  
14 from that short-term capital loan from Gate City?  
15 Correct, or no?

16 Q. No. So where --

17 A. Because I --

18 (Simultaneous, indiscernible crosstalk.)

19 Q. (BY MS. STANLEY) Where -- you said this is  
20 in your possession. Where is it?

21 A. Florida, ma'am.

22 Q. You -- you said it's in your possession.  
23 Where is it?

24 A. It's in Florida, ma'am. It's in Florida.

25 Q. What's it doing in Florida?

1           A.     Well, right now I currently am not running  
2     over-the-road trucks because the over-the-road  
3     trucking market is dead, and what it's doing in  
4     Florida is -- I don't know if it's the exact trailer  
5     that a driver left a load of supplements at the truck  
6     stop, and I had to fly there to go get the truck and  
7     make the delivery and park it to fly back up to  
8     Sidney, Montana, to work for Stark Energy and Kraken  
9     Oil & Gas. But, I mean, it's there because I -- I  
10    left it there, and it's -- it's protected, and it's  
11    safe. I mean, I don't -- it's at a yard.

12           Q.     Do you have an address for where it is? I  
13    mean, I'm pretty sure last time you testified that  
14    none of Stark Energy's equipment was being stored  
15    elsewhere.

16           A.     Yes. Ma'am, I'm not looking to get tripped  
17    up. I'm not trying to be tripped up. I'm  
18    not talking (indiscernible) --

19           Q.     No, but I'm asking you to answer the  
20    question where the assets are.

21           A.     Again, I've listed the assets on my schedule  
22    with my lawyer with the addresses of where they're  
23    at, so, I mean, I've done everything I'm supposed  
24    to --

25           Q.     Nothing has an address.

1           A.     Yeah, I -- I did, too. I -- he asked, Where  
2     are the assets at? And I communicated with my  
3     lawyer, Erik. My lawyer. Yep.

4           Q.     Okay. So where --

5                     (Simultaneous, indiscernible crosstalk.)

6           Q.     (BY MS. STANLEY) Where in Florida would  
7     this one be?

8           A.     Jacksonville, Florida, ma'am. It's even in  
9     your name. I didn't transfer the title, ma'am, or  
10    anything like that. I can get all the facts you're  
11    requiring for RT001, and I can work on that tonight.  
12    I can see if the title's even in Stark Energy's name.  
13    And I don't know what information you're working  
14    from.

15          Q.     What --

16          A.     I don't know if you're working from that  
17    loan that -- that -- Kevin gave me a loan on  
18    equipment that was free and clear --

19          Q.     Can you -- can I ask my next question? The  
20    next question --

21          A.     Sure. Go ahead.

22          Q.     -- is talking about a miscellaneous trailer,  
23    a 20- -- 2010 Hallmark enclosed trailer.

24          A.     That's not even anything remotely to do with  
25    Stark Energy. That's a trailer that I bought when I

1 was working on the workover rig, and I've used it in  
2 my own personal use, and I don't know why it's listed  
3 on there, and I'm sorry for the confusion, but I was  
4 listing everything when I was doing my thing because  
5 I've got -- I'm not going to hide anything or be  
6 disrespectful.

7 Q. So you're saying that this is not a Stark  
8 Energy piece of property?

9 A. That truck -- that trailer was bought prior  
10 to Stark Energy even starting. No, it has nothing to  
11 do with Stark Energy.

12 Q. The tractor, the S210, 2007 International  
13 9000 -- 9900 -- I'm sorry. I can get that number  
14 right -- 9900i Eagle, your schedules say this is  
15 missing. Is this missing?

16 A. I'm still looking for it. I think it's  
17 somewhere in the vicinity of -- of Dickinson. I  
18 don't know. I've asked --

19 Q. What makes you think it's in the vicinity of  
20 Dickinson?

21 A. Well, because I -- I've been looking for my  
22 assets, and I've been driving around, and someone --  
23 someone said that, you know, they saw it at a truck  
24 stop, like a -- what is it called? -- a Tiger Truck  
25 Stop, so I'm supposed to go there and look. I've



1       been asking friends and family to start looking for a  
2       2007 International.

3               The other day when I was hauling rock --  
4       because I was hauling rock, and I'm training the one  
5       driver that said he wanted to take the job after we  
6       did an interview, and then he didn't show up. I  
7       wasn't able to get out of the pit in time to chase  
8       down a truck that I think was pulling the 2007  
9       Reitnouer that I haven't been able to find as well  
10      and you guys haven't been able to find. Like I told  
11      you or the nice Trustee lady there, that I've been  
12      looking for my assets in my off time that are missing  
13      still.

14           Q.     Okay. So when was the last time you recall  
15      seeing it?

16           A.     What? The 2007 or the 2000- --

17           Q.     Yes, the 2007.

18           A.     The trailer or truck?

19           Q.     The 2007 International --

20           A.     I -- I don't recall. It -- it was -- I was  
21      literally out in the field chasing work. I -- I  
22      don't know when it -- when it left my shop. I don't  
23      know. I'm frustrated to holy whatever. I know  
24      that --

25           Q.     Did you authorize --

1 A. (Indiscernible.)

2 Q. -- Yuker Towing to hold this piece of  
3 property, the S210, as collateral at any point?

4 A. On the direction of my counsel, I'm going to  
5 agree to plead the Fifth and not answer that question  
6 because I feel anything I say can be used against me.  
7 Whether I say one thing or another, you're just going  
8 to say it the wrong way, so I plead the Fifth. Thank  
9 you.

10 Q. Okay. For the S205, which I believe is a  
11 2014 Kenworth T800, your schedules also indicate that  
12 one is missing. Do you know, when was the last time  
13 you saw that one?

14 A. I think 3/16, 3/15, 3/17, in there. I went  
15 to my shop to go get some parts. I thought -- in the  
16 back of my head, I said: You know what? When I left  
17 the shop, was that truck not parked there? I better  
18 go back and look. And, sure enough, it wasn't there.

19 So I called the Stark County Sheriff's  
20 Office and argued with them and asked them why they  
21 took a truck from my shop that wasn't, like, you  
22 know, free and clear, you know? Where's it at, you  
23 know? Who came and took it, you know? I'm supposed  
24 to call you guys --

25 Q. So is this the --

1 A. -- if I notice anything.

2 Q. Is this -- is this the piece of -- one that  
3 you indicated earlier that a police report had been  
4 filed on?

5 A. That's correct.

6 Q. That's 205?

7 A. That's 205. Yes, ma'am.

8 Q. Okay. Do you know who R & R Auto  
9 Farm & Electric is?

10 A. Yeah. They're -- yeah. Yes, ma'am, I know  
11 who that is. Owned by Rodney. It's over by my  
12 house. Yep.

13 Q. Any idea -- did -- did you sell this  
14 equipment to that entity, S205?

15 A. R & R Farms? No, I did not sell it to him.  
16 Never. Why? Is that whose got it? Did you get  
17 better investigation than me? Because I'd like it  
18 back immediately. I could put it to work tomorrow or  
19 today. If the last four of the VIN number are 2043?  
20 I've been asking a lot of people about that. So  
21 you're saying R & R Farm & Electric had it towed,  
22 the 2- -- at -- S205 (indiscernible) --

23 Q. You can talk to your attorney about this,  
24 but your testimony is you didn't sell or you -- you  
25 just don't have any idea where it is?

1           A.     Yeah. I'm very sure, very, very, very sure.  
2     I filed a police report about that because I was  
3     clear as day. I wasn't foggy. I wasn't preoccupied.  
4     I went and picked up my parts at my shop. I went  
5     back to the job site. I even turned around and was  
6     late for the job because of that.

7           Q.     Okay. And you're indicating that was like  
8     March --

9           A.     It was March --

10          Q.     -- 15th, 16th, 17th?

11          A.     -- 15th, 16th, 17th, somewhere in there.  
12     Yes. Yes.

13          Q.     And March 15th was the day that, if you  
14     will, the raid on Yuker Towing occurred. Was it  
15     right around that time, coincidentally the same day?

16          A.     If that's -- that's what got me worried. I  
17     said that -- I said that's what got me worried,  
18     because I called -- I called Stark County Sheriff's  
19     Office, and I asked them. I said: Did you guys take  
20     my -- my truck from my shop that was free and clear?  
21     Because somebody called me and said that you guys  
22     found a bunch of my stuff, and I called the Stark  
23     County Sheriff's Office and asked the guy. Well,  
24     where is my stuff at? Because you said you found it.  
25     People in the community say you found it, and you

1 don't call me? I want to know where my stuff's at.  
2 What's going on?

3 And he said you can talk -- you've got to  
4 get an attorney. I don't know what to tell you.

5 I was like: Are you serious, dude? This is  
6 crazy.

7 Q. Okay. The '22 -- 2022 Dodge Ram, is  
8 Allied -- I mean, is there a lienholder on that  
9 property?

10 A. Yeah, but what does that have to do with  
11 Gate City?

12 Q. I'm asking you --  
13 (Simultaneous, indiscernible crosstalk.)

14 A. -- don't even represent them.

15 Q. (BY MS. STANLEY) I'm -- at a meeting of  
16 creditors, I'm typically able to ask about the  
17 Debtor's assets, so...

18 A. Yeah, well, I'd ask --  
19 (Simultaneous, indiscernible crosstalk.)

20 A. -- keep it in your scope. I'd ask you to  
21 keep it in your scope unless you're hired from them,  
22 because you have a personal vendetta against me, and  
23 I'm getting sick of it. I'm not a bad person, and  
24 stop trying to paint me out as one. I'm working with  
25 everybody --

1 Q. (BY MS. STANLEY) Is there --

2 A. -- and doing everything I'm supposed to do.  
3 (Indiscernible.)

4 MS. WENCIL: Mr. Fettig? Mr. Fettig? This  
5 is -- this is Ms. Wencil. I don't think we want to  
6 make accusations. Just please answer the question,  
7 and if you don't know, you can say you don't know, or  
8 you can defer the question, and we can all move on  
9 here today. Thank you.

10 ROBERT FETTIG: Thank you.

11 MS. WENCIL: And please resume the  
12 questions.

13 Q. (BY MS. STANLEY) Is there a secured lender  
14 for the 2022 Dodge Ram?

15 A. To my knowledge, yes, there is, ma'am.

16 Q. And who is that?

17 A. It's listed on the schedule. They filed  
18 even a claim, Allied Financial.

19 Q. Okay. I think that they're listed as an  
20 unsecured creditor.

21 A. Well, that's in the wrong category, then,  
22 ma'am. Allied Financial is -- or not -- Ally. Ally.  
23 The sole purpose of your situation right now, you're  
24 trying to get me to say something that's incorrect.  
25 Ally Financial, I financed the Dodge Ram with it.

1 Okay?

2 Q. Okay. Thank you.

3 A. Ally Financial, 2022 Dodge Ram.

4 Q. Thank you.

5 I understand that one of the -- I -- does --  
6 I guess I already asked about that. That's the  
7 reefer trailer.

8 One of the Great Dane trailers that Stark  
9 Financial [sic] had was repossessed. Is that  
10 correct?

11 A. That's incorrect, to my knowledge, unless  
12 you've got better news than me. But you just found a  
13 piece of equipment that you won't even tell me where  
14 it's at, and it could be beneficial to your  
15 creditors, so I don't even understand the reason why  
16 you're asking questions. You don't want anything to  
17 do with it if it's anything positive.

18 Q. I'm sorry. That was -- I meant the Trail  
19 King. I apologize. The RT001 2015 Trail King, was  
20 that repossessed by --

21 A. What about it?

22 Q. Was it repossessed by Alliance Funding?

23 A. Yeah. That's when they stole my drilling  
24 rig, too.

25 Q. Okay. Is there another Trail King, a 2014

1 one, that Stark Energy had?

2 A. There is two trailers; there's an RGN,  
3 the -- it's two parts.

4 (Simultaneous, indiscernible crosstalk.)

5 Q. (BY MS. STANLEY) Is that what you think?

6 A. Yep. Yep. There's two parts to it, and  
7 they advertise that they took it from my shop and  
8 sold it at Ritchie Brothers' auction.

9 Q. What about a 2018 Volvo VNL 780?

10 A. To my knowledge, I have that financed, yeah.  
11 But, again, relevance. I mean, you're not  
12 representing them.

13 Q. Is that listed on the -- do you know if  
14 that's listed on your schedules?

15 A. I'm sure it is, ma'am. And if it's not, it  
16 will be corrected. I am a human.

17 Q. So did you have two Volvos? You had a 2017  
18 and a 2018?

19 A. I have -- I -- I don't know how to answer  
20 that question, ma'am. I own two different companies.  
21 We've already established that. So that could be  
22 owned by a different company, but again, relevance.

23 Maybe I should just plead the Fifth to all  
24 your questions, because you're really not asking  
25 anything of pertinence.



1 (Indiscernible background voice.)

2 Q. (BY MS. STANLEY) So is your response to  
3 that you're going to plead the Fifth, or you don't  
4 know the answer to that question (indiscernible) --

5 A. I don't know the answer to that question.

6 Q. Okay. What about a 2015 Ford F-350?

7 A. A '20 what?

8 Q. 2015 Ford F-350.

9 A. A 2015?

10 Q. Yes.

11 A. Yeah. I own that free and clear. We  
12 already talked about that when we were in court the  
13 other day, and it's my name that's associated with  
14 it. It has nothing to do with Gate City. I bought  
15 that when I worked on a workover rig. It's got  
16 434,000 miles because I take care of my equipment. I  
17 don't beat it up.

18 Q. And you're saying that you think that's in  
19 your name; it's not in Stark Energy's name?

20 A. I'm not saying. I'm saying unequivocally,  
21 on the record, everything that I'm saying today is  
22 that. I'll double down on it. That's in my name.

23 And to keep my composure and be  
24 professional, if you start to ask me questions that  
25 annoy me, I'm just going to plead the Fifth, because

1 this is getting us nowhere.

2 You already are aware of the 2015 F-350.  
3 You were made aware of it at court.

4 MS. WENCIL: Mr. Fettig --

5 Q. (BY MS. STANLEY) What about a --

6 MS. WENCIL: Mr. Fettig, this is Ms. Wencil  
7 again. Please just answer the questions.  
8 Ms. Stanley is just doing her job. And this is going  
9 on the record for the Court, and so I think if you  
10 show some patience in just answering the questions,  
11 it will go all smoother, and we can all --

12 ROBERT FETTIG: I'm sorry.

13 MS. WENCIL: Yeah. We can --

14 ROBERT FETTIG: No problem.

15 MS. WENCIL: Okay.

16 ROBERT FETTIG: I'm sorry, ma'am. Thank  
17 you, ma'am.

18 MS. WENCIL: Yeah. We can all get done here  
19 more quickly, because I understand you're getting  
20 tired as well because we've been on for quite a  
21 while, but just be calm, and we -- and you can get  
22 through this, and just answer the questions. Thank  
23 you.

24 Q. (BY MS. STANLEY) What about a 2013 Ford  
25 F-150? Does Stark Energy have -- own that, a vehicle

1 like that?

2 A. No, ma'am. Stark Energy doesn't own a 2013  
3 F-150.

4 Q. What about a 2004 skid-steer?

5 A. It's at the shop, ma'am. I put it on my  
6 schedule. I financed that with Falcon Leasing, and I  
7 paid them in full.

8 Q. So you believe that's on the schedules?

9 A. I know it's on the schedules. That's how  
10 you know about it.

11 Q. Do you have your schedules with you in the  
12 truck?

13 A. Again, ma'am, like I said, I don't have it  
14 in front of me because I'm driving a truck and trying  
15 to earn money, but I'm very factually knowing that  
16 it's on the schedule because I listed it on there,  
17 and it's free and clear. You have a schedule in  
18 front of you. What does it say for the dollar  
19 amount?

20 Q. It doesn't say anything, Mr. Fettig. I  
21 don't see it on the schedules, so that's why I was  
22 asking.

23 A. Well, it's on the schedule.

24 Q. What about a Lincoln Electric welder? A  
25 Lincoln Electric -- there's like two of them.

1           A.     There's nothing on the schedule for that.  
2           They're not owned by Stark Energy, and if they are,  
3           they were misrepresented.

4           Q.     Okay. So there's three different welders  
5           from Lincoln Electric for 2019. These are not Stark  
6           Energy (indiscernible) --

7           A.     (Indiscernible) 2019?

8           Q.     Yes.

9           A.     I would have to look at that, ma'am. I'm  
10          getting confused here.

11          Q.     I don't know what this is, a 2016 Snap-on  
12          tool air plus?

13          A.     I -- I -- I don't know what that is, ma'am.  
14          That's a piece of -- that's a tool of mine.

15                 And now I know where you're -- what  
16          you're pulling off of. You're pulling off of  
17          something that Gate City has listed for a loan  
18          agreement of some sort, I believe, that I gave to  
19          Greg Ellwein, I think, some -- he said: List  
20          everything that's in the shop. He asked me to do  
21          that. Your -- your bank business manager said: List  
22          everything that's in the shop, whether Stark Energy  
23          owns it or you own it (indiscernible) --

24          Q.     Well, Mr. Fettig, before you get too far  
25          down that road, I can tell you that I didn't get this

1 from Gate City, so --

2 A. I'm just letting you know.

3 Q. What about a -- what about a low-lift  
4 transmission jack? Is that a Stark Energy property?

5 A. It -- it could very well be. I -- I don't  
6 know. And if it's not listed on the schedules, I'll  
7 make sure it's corrected. I don't know. I've got to  
8 look at that.

9 Q. What about a clutch handler?

10 A. That's another tool of some sort. Again, I  
11 don't know. I would have to look at the -- at the  
12 schedule and check out.

13 Q. What about an engine hoist?

14 A. An engine hoist? I added an engine hoist.  
15 I pulled the motor out of the truck, but that thing  
16 was stolen by me -- stolen by one of my employees.

17 Q. When was that?

18 A. I -- 2023, probably. Some -- yep, it's not  
19 there anymore, so...

20 Q. What about an air -- Quincy air compressor?

21 A. I -- it could be on the schedule. I don't  
22 know.

23 Q. Is that Stark Energy's equipment, though?

24 A. I -- it very well could be, or it could be  
25 mine. It could be my personal one that I use for the

1 shop. I -- I don't know. I have tools, too.

2 Q. Okay. What about a 15-inch Evolution field  
3 cutting chop saw? Is that Stark Energy's property or  
4 yours? Or --

5 A. I -- I would have to look. I'd have to  
6 look. I -- I know where my Stihl chop saw is. It's  
7 at the shop. Because I'm at -- I just left the shop  
8 a little bit ago because I had to change a -- a  
9 light, but...

10 I guess maybe you should refer to your --  
11 the communication you're reading from, and it maybe  
12 says my lawyer, so if there's anything missing on my  
13 schedule I can get corrected. I'd appreciate that.

14 Q. So that would be you don't know if that's  
15 yours or Stark Energy's?

16 A. Yeah. Because I've had a lot of my own  
17 personal money go into this business, and I'm  
18 probably going to be the one that loses the most if I  
19 don't make this case, so, yes, ma'am.

20 Q. What about a DeWalt -- I don't know what  
21 this is -- D28715? Do you know what that is  
22 referring to?

23 A. No, I do not recall. I don't know what  
24 you're speaking from. A DeWalt what? If you  
25 probably put it in Google, it will probably tell you

1 what it is.

2 Q. You're probably right. I was wondering if  
3 you knew what it was.

4 Mr. Fettig, are you friends with Andy Yuker?

5 A. Relevance? He works in the same industry I  
6 work in, but, I mean, to that effect, I mean, I again  
7 refer to my lawyer and would refer to pleading the  
8 Fifth because, again, you're trying to ask a loaded  
9 question, and I have a pending criminal investigation  
10 that they actually said in the open courtroom that  
11 there's no evidence, so it's probably going to get  
12 dismissed.

13 Q. So was that a you're not going to answer  
14 that question?

15 A. Yeah. I'm pleading the Fifth, ma'am. And  
16 for furthermore, if you have one more question, I'm  
17 just going to plead the Fifth, because I'm trying to  
18 be as truthful as possible, but you're not being  
19 forthright. I'm trying to be helpful, but you're not  
20 being forthright.

21 MS. STANLEY: Mr. Ahlgren, what would you  
22 like to do? I mean, we have had discussions on a  
23 2004 Exam, and I don't want to hold all these other  
24 people here, but I -- I do have a bunch of questions  
25 regarding how this collateral obviously wound up at

1 Yuker Towing.

2 MR. AHLGREN: Well, I don't think he's going  
3 to answer any of those questions.

4 ROBERT FETTIG: On the grounds -- on the  
5 grounds that I feel that any answer I may give you  
6 may self-incriminate myself, I think is the technical  
7 term, I'm pleading the Fifth to any and all questions  
8 you have in regards to that because I don't want any  
9 issues anywhere going forward. It's all false  
10 accusations, has nothing to do with Gate City.

11 Q. (BY MS. STANLEY) So you previously filed  
12 sort of an affidavit in this bankruptcy case that  
13 said something about bad actors that allegedly seized  
14 equipment. Who are the bad actors?

15 A. Well, the first bad actor is a repre- -- you  
16 represent them. It's Gate City Bank. I went ahead  
17 and communicated even with you, through their back  
18 office, and you said that you were going to accept my  
19 payment to bring my shop current, so I was trying to  
20 show an act of good faith, and I said: Once I get  
21 this current, maybe I can start working on getting  
22 some of my previous loans current if we can negotiate  
23 on putting payments on the back end, whatever --

24 Q. Mr. Fettig, the question was bad actors that  
25 seized collateral.



1           A.     Did you seize collateral, and did you take  
2     collateral, and are you refusing to give it back to  
3     me so I can earn money to pay my creditors?

4           MR. AHLGREN:   This is -- this is -- this is  
5     getting to be, I think, unproductive.

6           I think there are other creditors here, as  
7     you said, Ms. Stanley.  You've got the ability to ask  
8     for a 2004 Exam.  I'm going to ask that we move on to  
9     other creditors.  It's, of course, up to Ms. Wencil,  
10    but we've already gone on for an hour and a half, and  
11    this isn't the time for a 2004 Exam.  You can ask for  
12    one, and that may be the appropriate way to move.

13          MS. STANLEY:   Two more questions.

14          Q.     (BY MS. STANLEY)  Mr. Yuker [sic], what is  
15     your cell phone number?

16          A.     I plead the Fifth.

17          MR. AHLGREN:   You know what, Ms. Stanley?  
18     You can -- you can contact the Debtor through me.  I  
19     don't think you need to contact him, and -- or  
20     we'll --

21          MS. STANLEY:   No, I'm not intending that --

22          MR. AHLGREN:   (Indiscernible.)

23          MS. STANLEY:   -- I'm just -- Mr. Ahlgren,  
24     there have been requests for copies of text messages  
25     and stuff, which have not been provided.

1 ROBERT FETTIG: I -- I provided those.

2 MS. STANLEY: Not -- certainly not for the  
3 relevant timeframe.

4 And, also, for Ms. Delene Fettig. So if  
5 those are not going to be turned over, it would be  
6 helpful to get those -- that information for subpoena  
7 purposes.

8 MR. AHLGREN: Ms. Stanley, we've asked you  
9 for information; you've asked us for information.  
10 Those information requests can be handled outside of  
11 this.

12 Q. (BY MS. STANLEY) One more quick question  
13 on -- you did have a bunch of references to all these  
14 predatory lenders, so -- and that's a -- the funds  
15 were taken out in the 2021/2022 timeframe. Is that  
16 correct?

17 A. Correct.

18 Q. So if -- if Stark Energy got \$2 million from  
19 SBA in that same timeframe, why did it have to keep  
20 taking out predatory lender loans?

21 A. Ma'am, do you own a business?

22 Q. I'm not here to answer questions --

23 MR. AHLGREN: Rob, Rob --

24 Q. (BY MS. STANLEY) -- (indiscernible) --

25 A. I plead the Fifth. I plead the Fifth.

1 That's what I'm going to do going forward. I'm going  
2 to be very professional. I plead the Fifth. Thank  
3 you.

4 MS. STANLEY: Apparently, we are going to  
5 have to move on.

6 Thank you for your time today, Ms. Wencil.

7 MS. WENCIL: Thank you.

8 And please be aware, Mr. Fettig, of being --  
9 only using the Fifth, because the Court can make an  
10 inference when you plead the Fifth about not being  
11 able to answer questions; but, of course, you do have  
12 to take it when it does implicate a possible criminal  
13 matter, but that will conclude those questions.

14 ROBERT FETTIG: Okay. Well, I'm sorry, but  
15 it's just she's badgering me about something that has  
16 no relevance.

17 MS. WENCIL: I don't think --

18 ROBERT FETTIG: No relevance.

19 MS. WENCIL: I don't think you have the  
20 basis to make that determination, but we're going to  
21 move on.

22 Does any other creditor have questions here  
23 today?

24 (No audible response.)

25 MS. WENCIL: Okay. Hearing none, then I'm

1 going to conclude the meeting.

2 Thank you, everyone, for showing up.

3 MR. AHLGREN: Thank you.

4 UNIDENTIFIED SPEAKER: Thank you.

5 MR. AHLGREN: Bye-bye.

6 UNIDENTIFIED SPEAKER: Have a good day.

7 Bye.

8 (End of recording.)

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That I am not financially interested in the action and have no contract with the parties, attorneys, or persons with an interest in the action that would affect my impartiality.

/s/ Carolyn Taylor Pekas  
Carolyn Taylor Pekas, RPR  
PO Box 886  
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Dated this 26th day of June, 2024.